STATE OF ARIZONA

MAR 1 2 1997

STATE OF ARIZONA 1 DEPT. OF INSURANCE **DEPARTMENT OF INSURANCE** 2 In the Matter of: Docket Number 97A-047 3 INSURANCE CORPORATION OF AMERICA SUSPENSION ORDER 4 5 NAIC No. 28800, Respondent. 6 7 8 Upon information obtained by the Corporate and Financial Affairs Division of the Arizona 9 Department of Insurance, the Director of Insurance makes the following findings of fact and conclusions of law and issues the following order: 10

- 1. Insurance Corporation of America ("Respondent") is domiciled in Texas and presently holds a certificate of authority issued by the Arizona Department of Insurance to transact insurance business as a casualty insurer.
- 2. As of December 31, 1996, Respondent's liabilities and required reserves together with its total issued and outstanding capital stock exceed its assets by \$37,638,976. Respondent is therefore "insolvent" within the meaning of A.R.S. §20-611(6).
- 3. Pursuant to A.R.S. §20-211, Respondent is required to maintain surplus in the amount of \$150,000. Therefore, Respondent's total statutory impairment is \$37,788,976.
- 4. Respondent no longer meets the requirements of the authority originally granted, on account of deficiency in assets, within the meaning of A.R.S. § 20-219(2).
- 5. Respondent is in an unsound condition or in such condition as to render its further transaction of insurance in this state hazardous to the policyholders or to the people of this state within the meaning of A.R.S. § 20-220(A)(3) and A.A.C. R20-6-308.
- 6. The public health, safety and welfare imperatively require emergency action, within the meaning of A.R.S. § 41-1064(C).

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IT IS HEREBY ORDERED that Respondent's certificate of authority to transact insurance in Arizona is suspended effective this date. Further, pursuant to the Director's authority described in A.A.C. R20-6-308(C)(2), Respondent is prohibited from accepting renewal business during the period of this suspension as well as transacting insurance business requiring a certificate of authority pursuant to A.R.S. §20-206.

DATED this _____ day of March, 1997.

JOHN A. GREENE Director of Insurance

NOTICE

The determination set forth in this order is an "appealable agency action" pursuant to A.R.S. § 41-1092. Consequently, you have the right to obtain a hearing on this determination by filing a Notice of Appeal within thirty (30) days after your receipt of this order. If your Notice of Appeal is received after that thirty (30) day period, it will not be accepted without a demonstration of good cause for the late filing. The Notice of Appeal must identify the party appealing, the party's address, the determination being appealed, and must contain a concise statement of the reasons for the appeal. Your hearing will be held within sixty (60) days after your Notice of Appeal is filed, unless the hearing is advanced or delayed by agreement or a showing of good cause by any party. The Department of Insurance will serve a Notice of Hearing at least thirty (30) days before the hearing, which will inform you of the date, time and location of the hearing as well as the issues in controversy.

If you file a Notice of Appeal, you may also request an Informal Settlement Conference by filing a written request no later than twenty (20) days before the scheduled hearing. The conference will be held within fifteen (15) days after receipt of your request. If an Informal Settlement Conference is requested, a person with the authority to act on behalf of the Department of Insurance will be present. Please note that you waive any right to object to the participation of the Department's representative in the final administrative decision of the matter if it is not settled.

The Notice of Appeal and request for an Informal Settlement Conference described above may be addressed to:

Deputy Director
Arizona Department of Insurance
2910 North 44th Street, Suite 210
Phoenix, Arizona 85018
Attn.: Hearing Administration

1	COPY of the foregoing mailed/delivered this 12th day of March, 1997, to:
2	,,,,
3	Warren Lezar Udisky, Secretary Insurance Corporation of America
4	P.O. Box 56308
5	Houston, Texas 77256-6308
6	Larry Eugene Rogers, President Insurance Corporation of America P.O. Box 56308
7	Houston, Texas 77256-6308
8	Elton Bomer Commissioner of Insurance
9	Texas Department of Insurance P.O. Box 149104
10	Austin, Texas 78714-9104
11	Charles R. Cohen, Deputy Director Gary Torticill, Assistant Director / Chief Examiner
12	Catherine O'Neil, Assistant Director Erin Klug, Market Conduct Examinations Chief Examiner
13	Deloris Williamson, Assistant Director Sara Begley, Deputy Receiver
14	Scott Greenberg, Business Administrator 2910 North 44th Street, Suite 210
15	Phoenix, Arizona 85018
16	
17	Curvey Walters Burton
18	Carvey Whiters Barton
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